PRIME FINANCE FIRST MUTUAL FUND

Statement of Financial Position (Un-audited)

as at September 30, 2020

Particulars	Notes	Amount in Taka	
		September 30, 2020	December 31, 2019 (Restated)
ASSETS			
Marketable securities -at market	3.00	21,97,79,186	18,64,50,977
Cash and Cash equivalents	4.00	1,46,23,434	1,24,22,942
Other current assets	5.00	26,37,292	21,98,787
Total Assets		**23,70,39,912**	**20,10,72,706**
CAPITAL AND LIABILITIES			
Capital	6.00	20,00,00,000	20,00,00,000
Reserve and surplus	7.00	3,18,86,241	3,84,99,572
Unrealized Gain/ (Losses) on Investments	8.00	(1,96,21,498)	(5,92,51,300)
Total Equity		**21,22,64,743**	**17,92,48,272**
Liabilities:			
Current liabilities	9.00	2,47,75,169	2,18,24,434
Total Capital and Liabilities		**23,70,39,912**	**20,10,72,706**
Net Asset Value (NAV) per unit			
Net Asset - at cost		35,44,15,752	36,10,29,083
Net Asset - at market		21,22,64,743	17,92,48,272
Number of Units Outstanding		2,00,00,000	2,00,00,000
Net Asset Value-at cost		**17.72**	**18.05**
Net Asset Value-at market		**10.61**	**8.96**

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

Member-Secretary of Trustee Committee

Dated: 29 October, 2020

PRIME FINANCE FIRST MUTUAL FUND

Statement of Profit or Loss and Other Comprehensive Income (Un-audited)

For the period ended September 30, 2020

Particulars	Notes	Amount in Taka		Amount in Taka	
		January 1, 2020 September 30, 2020	January 1, 2019 September 30, 2019 (Restated)	July 1, 2020 September 30, 2020	July 1, 2019 September 30, 2019 (Restated)
INCOME					
Profit on sale of investment		65,56,814	1,58,92,700	50,33,958	41,69,668
Dividend from investment in shares		39,05,068	42,00,576	16,01,382	4,55,887
Interest on bank deposits	10.00	3,51,480	3,18,538	54,682	-
Total Income		**1,08,13,362**	**2,04,11,814**	**66,90,022**	**46,25,555**
EXPENSES					
Management fee		24,53,197	31,14,838	9,23,595	9,69,762
Trustee fee		1,50,000	1,50,000	50,000	50,000
Custodian fee		1,38,678	1,64,420	50,937	52,858
Annual BSEC fee		1,27,612	1,47,704	53,000	36,560
Listing fees		1,50,000	1,50,000	1,00,000	1,00,000
Audit fee		20,126	21,563	5,750	7,187
Other operating expenses	11.00	3,85,009	4,47,351	1,50,137	84,493
Total Expenses		**34,24,622**	**41,95,876**	**13,33,419**	**13,00,860**
Net income for the period		**73,88,740**	**1,62,15,938**	**53,56,603**	**33,24,695**
Add: Other Comprehensive Income					
Unrealized gain/ (losses) on invest	12.00	3,96,29,802	(3,26,00,530)	5,76,76,322	(2,85,57,947)
Total Comprehensive Income		**4,70,18,542**	**(1,63,84,592)**	**6,30,32,925**	**(2,52,33,252)**
Net income for the period		73,88,740	1,62,15,938	53,56,603	33,24,695
Number of Units Outstanding		2,00,00,000	2,00,00,000	2,00,00,000	2,00,00,000
Earnings Per Unit		**0.37**	**0.81**	**0.27**	**0.17**

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

Member-Secretary of Trustee Committee

Dated: 29 October, 2020

PRIME FINANCE FIRST MUTUAL FUND

Statement of Changes in Equity (Un-audited)

For the period ended September 30, 2020

Particulars	Share Capital	Dividend Equalization Reserve	Retained Earnings	Unrealized Gain/ (Losses) on Investments	Total Equity
Balance as at January 01, 2020	**20,00,00,000**	**1,61,28,426**	**2,23,71,146**	**(5,92,51,300)**	**17,92,48,272**
Prior year error adjustment			(2,071)	-	(2,071)
	20,00,00,000	**1,61,28,426**	**2,23,69,075**	**(5,92,51,300)**	**17,92,46,201**
Unrealized gain/ (losses) on investments	-	-	-	3,96,29,802	3,96,29,802
Dividend paid for FY 2019	-	-	(1,40,00,000)	-	(1,40,00,000)
Net Income for the period ended September 30, 2020	-	-	73,88,740	-	73,88,740
Balance as at September 30, 2020	**20,00,00,000**	**1,61,28,426**	**1,57,57,815**	**(1,96,21,498)**	**21,22,64,743**

Statement of Changes in Equity

For the period ended September 30, 2019

Balance as at January 01, 2019	**20,00,00,000**	**1,61,28,426**	**2,39,62,032**	**(12,63,13,648)**	**11,37,76,810**
Unrealized gain/ (losses) on investments	-	-	-	(3,26,00,530)	(3,26,00,530)
Dividend paid for FY 2018	-	-	(1,70,00,000)		(1,70,00,000)
Net Income for the period ended September 30, 2019	-	-	1,62,15,938		1,62,15,938
Balance as at September 30, 2019	**20,00,00,000**	**1,61,28,426**	**2,31,77,970**	**(15,89,14,178)**	**8,03,92,218**

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

Member-Secretary of Trustee Committee

Dated: 29 October, 2020

PRIME FINANCE FIRST MUTUAL FUND

Statement of Cash Flows (Un-audited)

For the period ended September 30, 2020

Particulars	Amount in Taka	
	January 1, 2020 September 30, 2020	January 1, 2019 September 30, 2019
Cash Flows from Operating Activities:		
Dividend from investment in shares	46,88,039	71,20,057
Interest on bank deposits	3,51,480	3,18,538
Other operating expenses	(8,57,736)	(54,85,057)
Net Cash used in Operating Activities (A)	**41,81,783**	**19,53,538**
Cash Flows from Investing Activities:		
Purchase of marketable securities	(4,14,50,512)	(10,60,81,093)
Sale of marketable securities	5,42,46,443	11,78,46,471
Application for investment in shares	(12,00,000)	(95,00,000)
Refund received from investment in shares	-	1,20,00,000
Net Cash from Investing Activities (B)	**1,15,95,931**	**1,42,65,378**
Cash Flows from Financing Activities:		
Dividend paid	(1,35,77,222)	(1,63,88,713)
Net Cash from Financing Activities (C)	**(1,35,77,222)**	**(1,63,88,713)**
Net Increase/(Decrease) in Cash (D = A+B+C)	**22,00,492**	**(1,69,797)**
Opening cash and bank balances (E)	1,24,22,942	1,28,71,725
Closing cash and bank balances (F = D+E)	**1,46,23,434**	**1,27,01,928**
Net Operating Cash Flow	41,81,783	19,53,538
Number of Units Outstanding	2,00,00,000	2,00,00,000
Net Operating Cash Flow Per Unit (NOCFPU)	**0.21**	**0.10**

Chief Executive Officer

Chairman of Trustee Committee

Head of Finance & Accounts

Member-Secretary of Trustee Committee

Dated: 29 October, 2020

PRIME FINANCE FIRST MUTUAL FUND
Notes to the financial statements (Un-audited)
as at and for the year ended September 30, 2020

1. Legal Status and Nature of Business

Prime Finance First Mutual Fund (hereinafter called as "Fund") was established under a Trust Deed signed on February 19, 2008 between Prime Finance & Investment Limited as 'Sponsor' and the Investment Corporation of Bangladesh (ICB) as "Trustee". The Fund was registered with the Bangladesh Securities and Exchange Commission (BSEC) on May 22, 2008 under the Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001. The operations of the Fund was commenced on February 18, 2009 by listing with Dhaka and Chittagong Stock Exchanges.

As provided in Trust Deed, ICB Asset Management Company Ltd (ICB AMCL) is the Manager of the Fund. ICB AMCL was created as part of the restructuring programme of ICB under Capital Market Development Programme initiated by the Government of Bangladesh and Asian Development Bank. The Company was incorporated as a public limited company under Companies Act 1994 on December 05, 2000 with an authorised capital of Taka 100 crore and a paid-up capital of Taka 2 lac which was

Fund is to provide attractive dividend to the unit holders by investing the proceeds in the Capital Markte and Money Market. The Fund consists of 20,000,000 units of Taka 10 each. The units of the Fund are transferable.

2. Significant Accounting Policies

2.01 Basis of Preparation of Accounts

These financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles as laid down in the International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs), applicable to the Fund so far adopted by the Institute of Chartered Accountants of Bangladesh . The disclosures of information made in accordance with the requirements of Trust Deed , Securities and Exchange Rules 1987, সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা ২০০১ and other applicable Rules and regulations.

2.02 Financial instruments

IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

2.02.01: Investments in shares which are actively traded on a quoted market are designated at fair value (market price) through other comprehensive income (FVTOCI). Gains or losses arising from a change in the fair value of such financial assets are recognized in other comprehensive income of statement of profit or loss and other comprehensive income.

2.02.02: The market value of listed securities are valued at average closing quoted market price on the Dhaka and Chittagong stock exchanges on the date of valuation i.e., on September 30, 2020.

2.03 Comparative Figures

Relevant Notes and disclosures are also presented in a comparative way for better understanding. Previous year's figure has been presented whenever considered necessary to ensure comparability with the current year presentation as per "IAS-8: Accounting Policies, Changes in Accounting Estimates and Errors". Financial Statements has been re-stated for the year ended December 31, 2019. The effect of unrealized gain or Loss re-stated during the year.

2.04 Dividend policy

As per Rule 66 of Securities and Exchange Commission (Mutual Fund) Bidhimala (Rules) 2001, the Fund is required to distribute in the form of dividend to its unitholders an amount which shall not be less than 70% of annual profit during the year, net of provisions.

2.05 Management fee

ICB Asset Management Company Ltd, the management company of the Fund is to be paid an annual management fees on weekly average net asset value (NAV) as per Rule 65 of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা ২০০১, and Trust Deed at the following rates:

NAV (Taka)	Rate (%)
Not exceeding Taka 5 crore	2.25%
Exceeding Taka 5 crore and up to Taka 25 crore	1.75% on additional amount
Exceeding Taka 25 crore and up to Taka 50 crore	1.25% on additional amount
Exceeding Taka 50 crore	0.75% on additional amount

2.06 Trustee fee

The Trustee is entitled to get an annual Trustee fee of Taka 2 lac, payable semi-annually during the entire life of the Fund as per Trust Deed.

2.07 Custodian fee

Investment Corporation of Bangladesh is entitled to receive a safekeeping fee @ 0.10% on the balance of securities calculated on average month end value per annum as a custodian.

2.08 Registration and other annual fee

As per Rule 11 of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (মিউচ্যুয়াল ফান্ড) বিধিমালা ২০০১, Fund is required to pay an annual fee to SEC an amount equal to @ 0.10% of the Net Asset value of the Fund. As per listing regulations the Fund is required to pay amount equal to @ 0.05% of the Fund to each stock exchanges as annual listing fee.

2.09 Revenue recognisation

Gains/losses arising on sale of investment are included in the Revenue Account on the date at which the transaction takes place. Dividend and interest income are recognised on accrual basis.

	Amount in Taka	
	September 30, 2020	December 31, 2019 (Restated)
3.00 Marketable Securities (At Market)		
Equity shares (note 3.01)	21,97,79,186	18,64,50,977
	21,97,79,186	**18,64,50,977**

3.01 Sector-wise break up of investment in shares are as follows:

Sector/category	Number of shares	Amounts in Taka		
		Cost	Market value	Difference
BANKS	12,67,436	3,05,86,263.64	2,01,41,521.45	(1,04,44,742)
FUNDS	20,47,503	1,46,90,077.52	1,40,28,644.05	(6,61,433)
ENGINEERING	5,04,279	4,40,07,830.71	2,06,08,984.70	(2,33,98,846)
FOOD & ALLIED PRODU(	4,10,903	1,03,63,045.61	71,18,117.05	(32,44,929)
FUEL & POWER	10,43,030	5,85,10,201.41	4,94,71,496.80	(90,38,705)
TEXTILES	17,86,001	3,51,79,331.46	1,92,93,562.15	(1,58,85,769)
PHARMACEUTICALS & C	93,972	92,32,074.58	75,35,468.60	(16,96,606)
SERVICES	5,28,448	1,27,03,576.06	83,31,424.00	(43,72,152)
CEMENT	1,47,278	2,47,19,683.21	88,79,043.50	(1,58,40,640)
IT	20,000	4,15,996.65	4,17,000.00	1,003
CERAMIC INDUSTRY	7,24,749	2,21,90,186.23	1,25,07,487.40	(96,82,699)
INSURANCE	1,31,000	46,16,412.66	57,40,950.00	11,24,537
TRAVEL & LEISURE	15,515	5,51,659.14	8,30,685.00	2,79,026
FINANCE AND LEASING	20,92,522	5,37,88,069.47	3,10,47,094.70	(2,27,40,975)
MISCELLANEOUS	4,95,776	4,03,75,787.10	1,38,27,706.80	(2,65,48,080)
		36,19,30,195	**21,97,79,186**	**(14,21,51,009)**

	Amount in Taka	
4.00	September 30, 2020	December 31, 2019 (Restated)
Cash and Cash equivalents		
Bank deposits with:		
IFIC Bank Ltd, Motijheel Br 1001-183099-041	28,97,444	28,09,870
Prime Bank, SBC Tower Br '14831030002961	44,04,547	26,49,421
IFIC, Federation Br (D/A 2009) 1008-000217-041	9,34,749	9,06,496
SJIBL, Motijheel, (D/A 2010) 4015 1310000078 5	98,192	97,452
SJIBL, Motijheel, (D/A 2011) 4015 1310000102 1	7,10,095	7,01,201
SJIBL, Motijheel, (D/A 2012) 4015 1310000130 1	3,65,303	3,61,005
IFIC, Principal (D/A account 2013) 1008-000544-041	4,59,019	4,46,495
IFIC, Principal (D/A account 2014) 1001-709965-041	10,96,146	10,64,058
IFIC, Principal (D/A account 2015) 1001-042399-041	4,03,238	3,95,810
IFIC, Principal (D/A account 2016) 1001-027712-041	5,03,909	4,98,967
JBL, Shantinagar (D/A 2017) 0009-0320000674	6,45,295	7,13,919
JBL, Shantinagar (D/A 2018)	5,60,964	11,13,316
JBL, Shantinagar (D/A 2019)	8,80,345	
NRB Bank Accounts Balance (Note 4.1)	6,64,188	6,64,932
	1,46,23,434	**1,24,22,942**

4.1 NRB Bank Accounts Balance		
IFIC Bank Ltd, Motijheel Branch (USD)		
Opening balance	6,26,027	6,18,031
Adjustment	316	7,996
Closing balance	**6,26,343**	**6,26,027**
IFIC Bank Ltd, Motijheel Branch (GBP)		
Opening balance	19,297	18,604
Adjustment	(1,162)	693
Closing balance	**18,135**	**19,297**

	Amount in Taka	
	September 30, 2020	December 31, 2019 (Restated)
IFIC Bank Ltd, Motijheel Branch (EUR)		
Opening balance	19,608	21,133
Adjustment	102	(1,525)
Closing balance	**19,710**	**19,608**
Total Balance	**6,64,188**	**6,64,932**
5.00 Other Current Assets		
Dividend receivables	10,74,816	18,56,787
Advance payment of Annual Fee	-	42,000
Share application money	12,00,000	-
Securities and others deposits	3,00,000	3,00,000
Receivable from Sale of shares	62,476	-
	26,37,292	**21,98,787**
6.00 Capital		
20,000,000 units of Taka 10 each fully paid	**20,00,00,000**	**20,00,00,000**
7.00 Reserve and surplus		
Retained earnings (Note 2.1)	1,57,57,815	2,23,71,146
Dividend equalization fund	1,61,28,426	1,61,28,426
	3,18,86,241	**3,84,99,572**
2.01 Retained earnings		
Opening Balance	2,23,71,146	2,39,62,032
Less: Dividend paid for FY 2019	1,40,00,000	1,70,00,000
Add/(Less): Prior year error adjustment	(2,071)	-
	83,69,075	**69,62,032**
Add: Net income for the period	73,88,740	1,54,09,114
Balance as at 30 September 2020	**1,57,57,815**	**2,23,71,146**
8.00 Unrealized Gain/ (Losses) on Investments		
Opening Balance	(5,92,51,300)	(12,63,13,648)
Add/(less): for the Period	3,96,29,802	(5,54,67,163)
Adjustment of Cumulative Provision for Investments	-	12,25,29,511
Closing Balance as at September 30, 2020	**(1,96,21,498)**	**(5,92,51,300)**
9.00 Current Liabilities		
Management fee - ICB AMCL	64,28,405	39,75,208
Trustee fee - ICB	1,50,000	-
Custodian fee - ICB	1,38,678	2,13,430
Audit fee	20,126	28,750
Annual fee payable to BSEC	85,612	-
Annual listing fee	1,50,000	2,00,000
Share application money (unit capital) refundable	24,34,188	24,34,932
Dividend suspense	1,000	
Dividend payable	1,53,49,255	1,49,26,477
Other	17,905	45,637
	2,47,75,169	**2,18,24,434**

	Amotunt in Taka	
	January 1, 2020 September 30, 2020	January 1, 2019 September 30, 2019 (Restated)
#### Interest on Bank Deposits		
Interest on		
Short term deposits	3,51,480	3,18,538
	3,51,480	**3,18,538**
#### Other Operating Expenses		
Advertisement	2,68,687	2,58,833
Printing and Stationary		1,043
Bank charges & Excise duty	19,658	18,737
CDBL annual fee & connetion fee	56,000	56,000
IPO application expenses	3,000	12,000
CDBL charges	3,659	27,564
Dividend distribution expenses	16,772	10,020
Others	17,233	63,154
	3,85,009	**4,47,351**
12.00 Calculation of Unrealized gain/ (losses) on investments		
Last year Unrealized Gain/(losses)	(18,17,80,811)	(12,63,13,648)
Add/(less): Unrealized Gain/(losses) for the period	(14,21,51,009)	(15,89,14,178)
Increase/(decrease)	**3,96,29,802**	**(3,26,00,530)**